



# NEW ORLEANS

NASFAA CONFERENCE 2002

The NASFAA Conference 2002 ♪ July 21-24 ♪ New Orleans, LA



**FSA**  
FEDERAL  
STUDENT AID

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## ***Session 104***

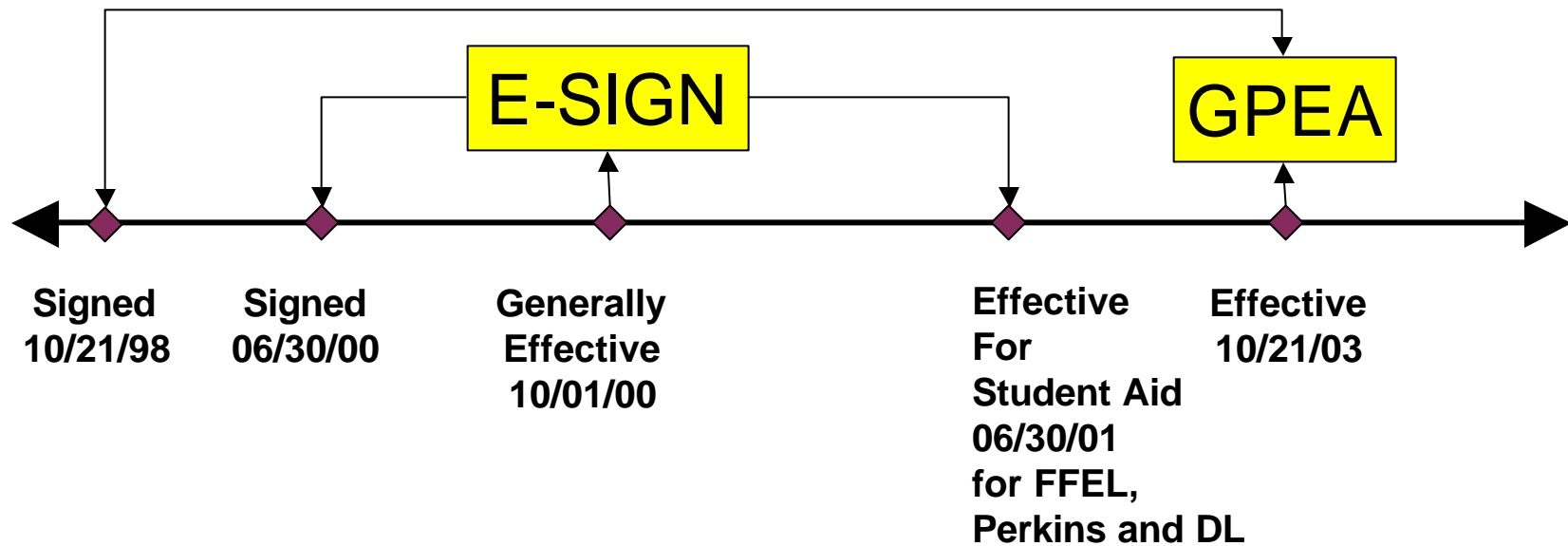
# ***Electronic Signatures***



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# Electronic Signature Timeline



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# Who Has Been Using eSignatures?

Firm	Application	Technology
E-Trade	Full Account Management	PIN
First American Bank	New Account Documents (Account Opening)	PIN
Department of Energy	Recommendation to President	PKI
U.S. Patent & Trademark Office	Application Filings	PKI
Orange County, CA	Building Permit Process (Work Order Request)	Biometrics
TVA	Design Specs Authorization	Biometrics

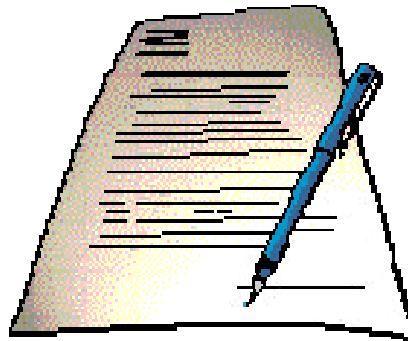


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# What are Electronic Signatures?

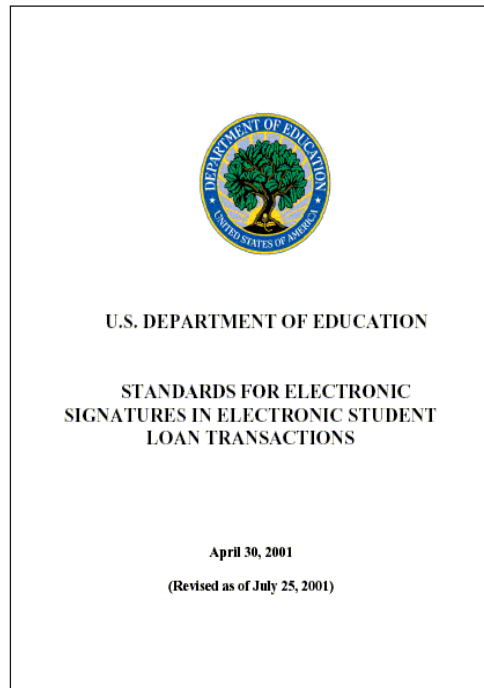
- They are a means of assigning identity to a transaction within a trusted electronic process.
- The signing process must deal with *identification, authentication, acceptance, data integrity, and non-repudiation.*



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# Standards for Loan Transactions

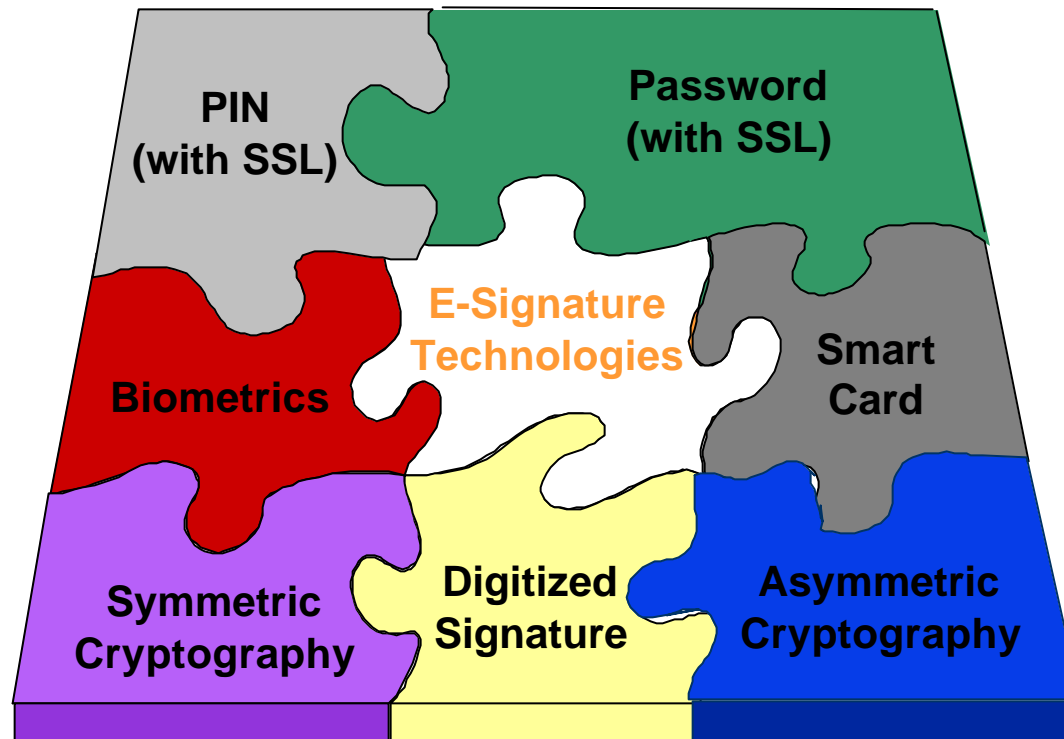


- **Consent**
- **Identification/Authentication**
- **Display**
- **Attribution**
- **Integrity**
- **Maintenance**
- **Access**
- **Certification**



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# Types of eSignature Technology

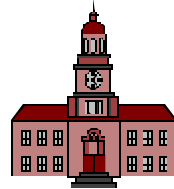




# Tracing the eSignature Process



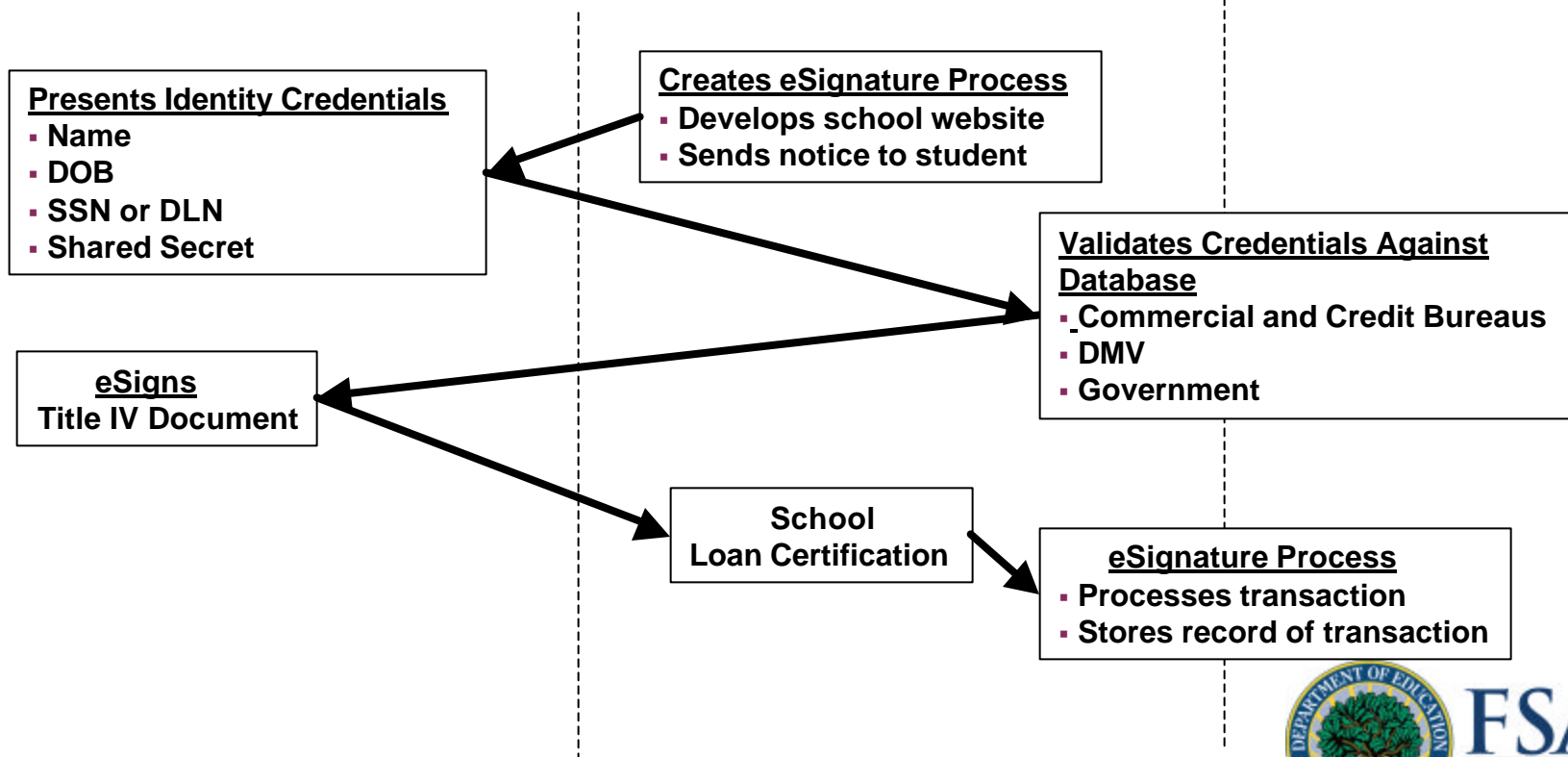
STUDENT



SCHOOL



LENDER



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## STAN Volumes

	<u>DL</u>	<u>FFEL</u>	<u>TOTAL</u>
AVG Monthly Volume	33,567	3,140	36,707
6/30/01 - 6/30/02 Volume	402,799	37,685	440,484



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# eSignature Business Processes

## What Have We Done?

- Prom Notes
- EDA (Electronic Debit Account)
- BPP (Bill Presentment and Payment)
- Correspondence Permission
- Forbearances
- Deferments

## What's Coming Soon?

- Perkins Notes

## What's Next?

- Verifications
- Authorizations
- School/Student Communications



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# eSignatures in E-Gov Initiatives

Government to Citizen		Government to Business	
	Managing Partner		Managing Partner
1. USA Service	GSA	1. Federal Asset Sales	GSA
2. EZ Tax Filing	TREAS	2. Online Rulemaking Management	DOT
3. <b>eLoans</b>	DoEd	3. Simplified and Unified Tax and Wage Reporting	Treas
4. Recreation One Stop	DOI	4. Consolidated Health Informatics (business case)	HHS
5. Eligibility Assistance Online	Labor	5. Business Compliance One Stop	SBA
		6. International Trade Process Streamlining	DOC
Government to Government		Internal Effectiveness and Efficiency	
	Managing Partner		Managing Partner
1. e-Vital (business case)	SSA	1. e-Training	OPM
2. e-Grants	HHS	2. Recruitment One Stop	OPM
3. Disaster Assistance and Crisis Response	FEMA	3. Enterprise HR Integration	OPM
4. Geospatial Information One Stop	DOI	4. Integrated Acquisition	GSA
5. Wireless Networks	DOJ	5. e-Records Management	NARA
		6. Enterprise Case Management	DOJ
			14
<b>Crosscutting Initiative: e-authentication, Managing Partner, GSA</b>			

Source: OMB News Release, October 25, 2001



## Perkins School Wish List

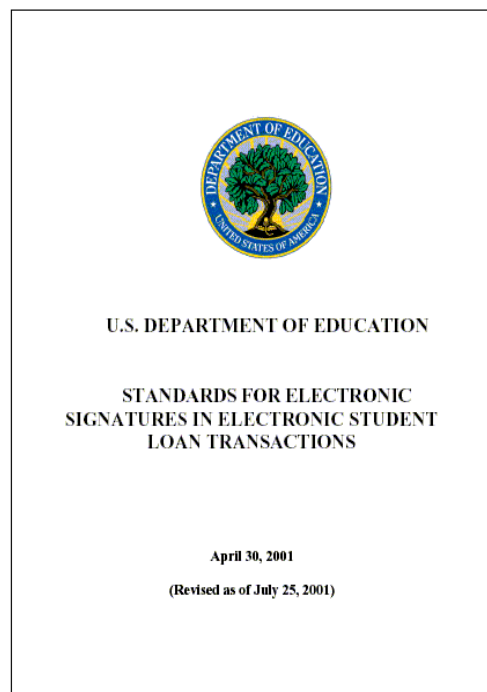
- FSA subsidizes STAN authentication costs for Perkins schools **Done!**
- FSA helps schools to create downloadable eNote **Done!**
- FSA revises Standards to allow for school based PIN for Perkins **Done!**
- FSA enables MPN for Perkins note **In Process**
- Expanded use of FSA PIN for Federal aid (Title VII) and non-Federal aid (state grants) **In Process**



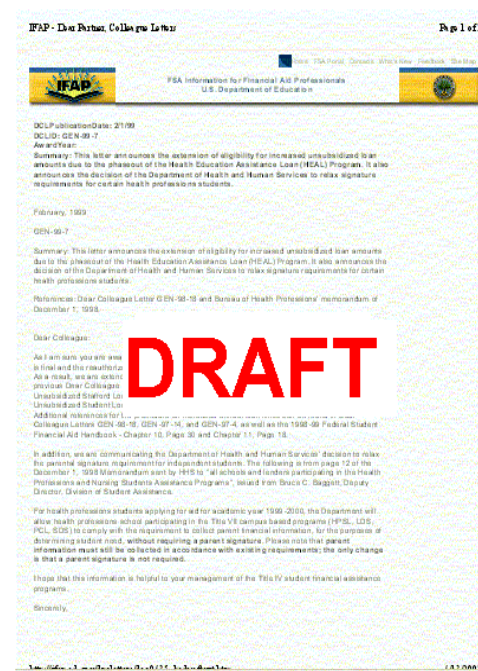


# E-Signature Standards

## Standards for Loan Transactions



## Dear Partner Letter For Non-Loan Transactions



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# **Non – Loan Transactions**

## **Notices**

- Written exchanges between a school and student or parent.
- Signatures are NOT required for Notices.

## **Authorizations**

- Requests made by students or parents for a school to carry out an activity.
- Signatures are NOT required for Authorizations.

## **Verifications**

- Submission of 1040 form and completion of worksheet verifying student data. (e.g. non-taxable income, household size)
- Signatures ARE required for Verifications.



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## School PINs

- In order to use school-issued pins for Title IV transactions, schools must take reasonable steps to confirm the student's identity.
- This may be done by checking a student's photo ID, or by matching student data with data provided by an independent source. (e.g. high school transcripts, college admissions tests)



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# Conducting Non-Loan Transactions

## Notices

- E-mail sent directly to students.
- Message postings on school website.

## Authorizations

- Require student to use PIN/Password to access or complete a form posted on school website.

## Verifications

- Require student to use PIN/Password to complete and sign a form posted on school website.
- Allow student to attach file of Federal tax return during a secure session.



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## Contact Information

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